

## Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 05371 201925Z

72

ACTION EUR-25

INFO OCT-01 IO-13 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 EB-11 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-10 PA-03 RSC-01 AID-20 CIEP-02 SS-15

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SPC-03 OMB-01

DRC-01 /186 W

----- 018492

R 201758Z SEP 73

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 5751

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS UNN

AMEMBASSY COPENHAGEN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY MOSCOW

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION OECD PARIS

USMISSION GENEVA

LIMITED OFFICIAL USE EC BRUSSELS 5371

USMISSION GENEVA PASS USDEL ISA

PASS AGRICULTURE

E.O.11652: N/A

TAGS: PGOV, ETRD, GATT, EC, US

SUBJECT: SEPTEMBER 20 EC COUNCIL OF MINISTERS

REF: A. EC BRUSSELS 5349

  B. LUXEMBOURG 667

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 05371 201925Z

  C. COPENHAGEN 2035

1. SUMMARY: THE EC COUNCIL (FOREIGN MINISTERS) ON SEPTEMBER 20 AGREED ON A CAREFUL RESPONSE TO RECENT COMMON OVERTURES REGARDING COMECON/EC CONTACTS. THE COUNCIL FAILED TO REACH AGREEMENT ON A SUGAR POLICY, HEARD A PROGRESS REPORT ON ARTICLE XXIV:6 NEGOTIATIONS, AND AGREED TO MAINTAIN TRADE BETWEEN THE FRG AND THE GDR AS INNER-GERMAN TRADE. END SUMMARY.

2. COMECON: AT ITS MEETING ON SEPTEMBER 20, THE EC COUNCIL OF MINISTERS(FOREIGN MINISTERS) HEARD A REPORT FROM DANISH FOREIGN ECONOMIC MINISTER CORGAARD ON THE CONVERSATIONS WHICH HE AND FOREIGN MINISTER ANDERSEN HAD THIS SUMMER WITH SECRETARY GENERAL FADEYEV OF COMECON REGARDING THE POSSIBILITY OF DISCUSSIONS BETWEEN THE TWO ORGANIZATIONS (REFTEL B AND C). AFTER A NONCONTENTIOUS DISCUSSION, THE COUNCIL AGREED THERE WOULD BE A COMMUNICATION IN RESPONSE FROM THE DANES TO FADEYEV THROUGH THE DANISH EMBASSY IN MOSCOW. THAT RESPONSE WILL INFORM FADEYEV THAT THE COMMUNITY IS PREPARED TO STUDY HIS REQUEST FOR DISCUSSIONS AND THAT IF COMECON WISHES TO CONTRIBUTE ANYTHING TO THE COMMUNITY'S STUDY, THE COMMISSION WOULD BE PLEASED TO HEAR FROM HIM. THE COUNCIL INSTRUCTED THE COMMISSION TO STUDY THE FEASIBILITY OF TALKS WITH COMECON AND TO SUGGEST WHAT SUBJECTS MIGHT APPROPRIATELY BE DISCUSSED.

3. SUGAR: THE COUNCIL WAS UNABLE TO REACH A POSITION ON THE COMMISSION PROPOSAL FOR A NEW SUGAR CAP. IT THEREFORE WAS NOT ABLE TO GIVE THE COMMISSION A MANDATE FOR ISA NEGOTIATION. THE COMMISSION WAS INSTRUCTED TO STUDY THE MATTER TO SEE WHETHER THE DISAGREEMENT BETWEEN MEMBER STATES COULD BE OVERCOME AND TO LOOK INTO THE POSSIBILITY OF INCREASING RESERVE STOCKS OF SUGAR AND APPROPRIATE MEASURES FOR MEETING POSSIBLE SHORTAGES OF SUGAR. THE COUNCIL HOPES TO RETURN TO THIS QUESTION AT ITS MEETING ON OCTOBER 15: IN THAT CONNECTION, THE FOREIGN MINISTERS EMPHASIZED THAT THE FINAL DECISION MUST BE THEIRS AND NOT THE AGRICULTURAL MINISTERS'. THE MAIN DIFFERENCES IN THE COUNCIL DISCUSSION WERE BETWEEN THE UK (SUPPORTED BY THE FRG AND THE NETHERLANDS) AND THE FRENCH.

4. XXIV:6: THE COUNCIL HEARD A SHORT REPORT BY COMMISSIONER GUNDELACH ON THE PROGRESS MADE BY THE WORKING PARTY ON ARTICLE XXIV:6 NEGOTIATIONS. THERE WAS NO DISCUSSION BY THE COUNCIL, AND IT AGREED THAT THE WORKING PARTY SHOULD CONTINUE ITS STUDY AS EXPLAINED IN REFTEL A.

5. INNER-GERMAN TRADE: THE COUNCIL AGREED THAT TRADE BETWEEN THE FRG AND THE GDR WILL CONTINUE TO BE GOVERNED BY THE PROTOCOL TO THE TREATY OF ROME WHICH DEFINES SUCH TRADE AS INTERNAL GERMAN TRADE. THE OTHER EIGHT MEMBERS OF THE EC WILL, HOWEVER,

CONSIDER THE GDR AS A THIRD COUNTRY AND A STATE TRADING COUNTRY FOR THE PURPOSE OF ANY TRADE NEGOTIATIONS. THE GERMANS POINTED OUT THAT EXPORTS FROM THE FRG TO THE GDR ARE 1.8 PERCENT OF TOTAL FRG EXPORTS AND ANY INCREASE OF THOSE EXPORTS WILL DEPEND ON THE ABILITY OF THE GDR ITSELF TO EXPORT. IF THERE ARE CONCERNS REGARDING DISTORTIONS OF TRADE, THE FRG POINTED OUT THAT THE PROTOCOL TO THE TREATY OF ROME HAS ADEQUATE SAFEGUARDS WHICH CAN BE INVOKED. BONN UNDERTOOK TO ANSWER THREE QUESTIONS RAISED DURING THE DISCUSSION: (A) WHAT ARE INTERNAL FRG MEASURES FOR PROHIBITING RE-EXPORT OF GDR IMPORTS; (B) WHAT ARE THE INTERNAL MEASURES REGARDING SURVEILLANCE OF THE ORIGIN OF GDR IMPORTS; AND (C) WHAT ARE THE PRICES PAID BY THE FRG FOR GDR IMPORTS.

6. THE COUNCIL ALSO HEARD A REPORT FROM COMMISSIONER SPINELLI ON THE INDUSTRIAL POLICY WORK PROGRAM AND FROM COMMISSIONER GUNDELACH ON FURTHER STEPS TO COMPLETE THE CUSTOMS UNION AND TO ELIMINATE TRADE OBSTACLES. THE COUNCIL ALSO HEARD AND DISCUSSED BRIEFLY A REPORT FROM THE DANISH CHAIRMAN REGARDING THE WORK WHICH REMAINS TO BE ACCOMPLISHED IN 1973. GREENWALD

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 SEP 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973ECBRU05371  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730922/aaaaapzj.tel  
**Line Count:** 135  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** A. EC BRUSSELS 5349  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 06 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <06-Sep-2001 by elyme>; APPROVED <05-Nov-2001 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SEPTEMBER 20 EC COUNCIL OF MINISTERS  
**TAGS:** PGOV, ETRD, EC, US, GATT  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005